

sadder is that the Clinton administration is buying it.

Madam Speaker, with a national minimum wage increase, Ed Satell won't have the choice between New Jersey and Pennsylvania any more and many of his young workers will just be out of luck.

#### TRADE

The SPEAKER pro tempore (Ms. MOLINARI). Under a previous order of the House, the gentlewoman from Ohio [Mr. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, the U.S. merchandise trade deficit widened last year to \$166 billion, the worst performance in the history of the United States. What does that \$166 billion deficit mean? It means \$166 billion worth of U.S.-made goods were lost to import sales in our own marketplace. It means jobs lost here in America. And it means in order for us to pay the bills, more foreign investment here in the United States on which our people end up owing principal and dividends to others off shore, not ourselves.

Incredible as it may seem, what does the executive branch's Trade Ambassador say about all of this? Well, he just turns his back. He said, "It is not the worst." He says he is happy as a clam that exports rose 12 percent last year.

But, my friends, that is only half the ledger, because imports rose even more, nearly 16 percent. The flow is heavier and heavier in the wrong direction. If you are \$166 billion more in the hole, how can it be a good outcome?

In fact, the trade numbers for last year were worse than they were in 1993 and worse than in 1992 and worse than in 1991. If this administration's trade policies are so good, why are the numbers worse than even in the Bush years which, by the way, back then were the worst ever in the history of the United States? Remember, each lost billion represents 20,000 jobs the United States shuttled out to somewhere else.

Think about this. Last year the United States sucked in a staggering \$800 billion worth of foreign-made goods, much of the goods we used to make here. And have you noticed prices have not gone down?

We sucked in \$66 billion more from Japan than we exported from them. That has been a continuing hemorrhage through our adult lifetimes. We sucked in \$26 billion more from China than we exported there, a nation not known to respect political freedoms for a free market or the rule of law. And this year it is anybody's guess how many billions more we will suck in from Mexico that we export down there. Our former trade surplus with Mexico bit the dust late last year, even before the peso devaluation.

So, when you look at your paycheck and wonder why you have not been keeping pace with price increases, ask yourself what would happen if the

United States and your community made \$800 billion more of goods right here in the U.S.A.? Think about it. For those of us old enough to remember, we would be in Ozzy and Harriet land once again.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### MEXICAN BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, a lot of news is about trade today and it is all bad or it is bad if you care about the economic future in the United States and you care about the conditions of working people and wages in the United States. Might be good if you are a multinational corporation and looking for cheap labor elsewhere and looking for ways to profit. But not to further the future and the economic prosperity of our own Nation.

The administration is very proud they finally struck a deal on the Mexico bailout. Great deal: \$20 billion, \$20 billion up front from the United States of America. Mr. Kantor, the special trade representative, is downright proud that we were able to get this deal. And it is a really bad deal for people on both sides of the border, it is an incredibly bad deal for the people of Mexico. It is expected that it will cause a recession in Mexico, it will drive interest rates up to 50 percent in Mexico, it will cause businesses to fold in Mexico because most of them have adjustable loans so their rates are going up dramatically and quickly.

Banks will fold in Mexico. And wages are now at 40 percent of the level of 1980, despite the increases in productivity.

Well, maybe it is a good deal on our side of the border and that is why he is so happy. Well, maybe not.

First off, \$20 billion at least. We do not know how much money the Federal Reserve has secretly shipped to Mexico, how much we are involved in the funds coming from the international institutions.

But it is a lot of money. And money that could have been spent productively here at home.

But beyond that we have some analysis now, analysis by DRI McGraw Hill, a private consulting firm in Lexington, Massachusetts. It says that U.S. exports to Mexico will drop by \$10 billion this year, leading to a loss of 350,000 U.S. jobs. So we are going to pay \$20 billion of our taxpayers' money to ship 350,000 family-wage jobs to Mexico. Now that is a great policy.

But they tell us do not worry, it is all short term, it all will get better. In

fact, Chase Manhattan has a memo and it says quite frankly they can fix the problems down there in Mexico, they just have to do a couple of things. The government will need to eliminate the Zapatistas to demonstrate their effective control of the national territory and of security policy, if they want to encourage further investment in Mexico.

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It seems Chase Manhattan is pretty upset that they wagered—and that is what this is about—wagered a huge amount of money in Mexico trying to get obscene rates of return. Now they are upset that the junk bonds they bought have turned truly to junk and are worthless.

These are policies that are not in the long-term interests of the United States of America, nor the people of Mexico. It is time that we began to get straight about our trade policy in this country.

I introduced legislation earlier this year to repeal the benighted NAFTA Agreement, and at the time people thought, "Well, that is a pretty far-out thing." I would say, given the events since then, given the massive bailout, given the huge loss of jobs we now admit we are going to suffer into the indefinite future, is it not time to revisit that agreement?

It is not good for people on either side of the border. It causes tremendous harm.

Let us rip it up and start over again.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 5 minutes.

[Mr. SCARBOROUGH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### FEBRUARY 22, 50TH DAY OF THE 104TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Madam Speaker, Wednesday, February 22d marks the 50th day of the 104th Congress—the half-way point of the most successful "100 Days" periods in decades. We have conducted more committee hearings, held more votes, and debated the issues longer and harder than any Congress in recent memory. We made real progress on the Contract With America we pledged to enact. But most important is what all this activity means to families in our communities and our districts.

It means with the passage of our crime bills that our communities and states will have the flexibility to decide how best to spend federal crime

prevention grants. We put an end to playing games with promises of 100,000 new police. Let us be clear—the 1994 crime bill never fully funded 100,000 new police. In six years, the money runs out and our communities are stuck with the bill. This year we reformed that law, so local municipalities have the flexibility to spend that money however it suits their crime-fighting needs—new police, crime prevention programs, new equipment, community policing, even a patrol car if that is the best way to fight crime. Those communities that have received initial grants will be funded under the current program.

Our new crime bill goes even further. We provide incentive for States to ensure that violent criminals are incarcerated and we're requiring criminals convicted in Federal court to make restitution to their victims.

This new Republican Congress promised a back-to-basics approach in Washington, and we have been keeping that promise. We cut our budget, and slashed committee staff on our first day. We passed a bill requiring Congress to live under the same laws that every small business lives under.

The House passed a balanced budget amendment to force Congress to live within its means. This is more than an accounting device to make some bureaucrats in Washington feel good. It is about our children and grandchildren and their futures, and about putting an end to the immoral practice of piling the national debt on our future generations. I hope the Senate follows the House's lead and passes the balanced budget amendment.

For more than a decade, Republican Presidents have asked Democrat Congresses to grant them a line-item veto to control wasteful spending and outrageous pork projects. The Democrat-controlled Congresses never gave Presidents Reagan or Bush this tool. Just a few weeks ago, the Republican-controlled Congress extended this power to a Democrat President.

We also passed the unfunded mandates proposal. That will prohibit the Federal Government from passing on the costs for each program to local and State Governments without Washington, DC, participating in the program at all.

Last week, also restored some common sense to our national security and international relations policies. We passed a bill restricting the use of U.S. soldiers in U.N. missions. And we're requiring that U.S. soldiers be deployed to support missions only in our national interests. We have so few defense resources, we must ensure that we use them wisely. Our most precious national security resource—our men and women in uniform—must have the tools and training to be ready for any conflict.

What has been most impressive about all these successes has been our ability to attract significant bipartisan support. These have not been razor-thin partisan fights that we have seen in

past Congresses. The reason? We have passed these policies as supported by the American people and by a bipartisan Congress. We are not just passing bills, we are trying to get communities and families the tools to make their lives a little safer and the children a little less saddled with national debt. We are making government smaller, less costly and less intrusive.

In the first 50 days of this Congress we have met that challenge, and we are looking forward to the future to finishing this, to get the contract finished in the next 50 days.

#### MORE ON THE DEDUCTION FOR HEALTH CARE COSTS OF THE SELF-EMPLOYED

The SPEAKER pro tempore (Ms. MOLINARI). Under a previous order of the House, the gentleman from Illinois [Mr. EWING] is recognized for 5 minutes.

Mr. EWING. Madam Speaker, I come here tonight to talk for a few minutes about the action that this body took tonight in passing the deduction for health care costs, insurance costs for the self-employed. It was something that many Members on our side of the aisle wanted to discuss, and there was not literally time for all of us who wanted to debate this important issue to talk and to express to our constituents our support for this important measure.

First of all, this was a tax fairness issue. Most people who work for major corporations get their health care insurance paid for, and that corporation deducts that from the bottom line. It comes out of the profits before they pay taxes. But the self-employed did not get that benefit. We have had it in the past, but it expired at the beginning of 1994. And here we are, in 1995, renewing a tax benefit for the small people in this country, for the self-employed in this country. And we are not doing it until February 1995.

Certainly, what we did here tonight was right. By the very vote, the overwhelming vote that it got from this body, it was correct. And I hope that the other body will soon follow suit and pass that tax deduction for health care costs and make it permanent. But we are not very taxpayer-friendly when we wait until February to pass a tax benefit for the little people in America for the year before.

I come from a rural part of Illinois, and many of my constituents have to file their tax returns by March. Farmers file their tax returns by March. Unfortunately, many of them have had their appointments, have come in and done their tax work and now today we are going to find they have a new tax deduction which they can take. That is what I mean when I say what we did here was not very taxpayer-friendly.

But I am pleased that this deduction, which will cost the Treasury, is being paid for by reduction in other Government expenses.

What we do to help small business helps support the very backbone of this country. Small business creates more jobs than all the big industries in America, and what we did today to make health care more affordable is the type of health care reform we need in this country, paid for by the private sector, health care reform that is not Government controlled.

Madam Speaker, I cannot tell my colleagues how pleased I am that this passed with such an overwhelming bipartisan vote on both sides of the aisle.

#### THE SELF-EMPLOYED DEDUCTION FOR HEALTH CARE COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Madam Speaker, to my colleagues, I would like to say, let me acknowledge this evening my recognition and appreciation for the Houston Livestock and Rodeo Show, an entity in the city of Houston and the county of Harris in the State of Texas that has worked so hard to provide opportunities for inner-city youth and youth throughout our community by providing not only entertainment with real cowboys but also scholarships for greater opportunity. And they seek to provide those scholarships to a wide diversity of individuals in our city and in our county and in our State.

But as well tonight I want to speak just a moment about the vote that I took this evening. Tonight I voted for working Americans from all backgrounds. Specifically I voted to extend permanently the current 25-percent health insurance deduction for the self-employed. However, in addition, I voted for more hard-working Americans, employees whose employers do not subsidize their health care, having a deduction beginning now in 1996. This deduction would be phased in. In 1996, the deduction would be 15 percent of the employee's health insurance premiums and by 2000, the deduction would increase to 25 percent of the premium just like the deduction for self-employed individuals. The McDermott-Gibbons substitute was clearly the better deal for the needs of working Americans, the self-employed, and for employees with no health insurance. We fixed what was broken, a good deal. However, what the McDermott-Gibbons legislation did not do was give a raw deal to a valuable goal to allow minorities to access fairly ownership of radio and television broadcast stations and to increase minority ownership of cable television systems as well.

Certainly, the Republicans know what controlling the media is all about, while they will blast the talk shows with the misrepresentation that